

## Phoenix Program

### Process Definition – Accounts Receivable

Process	<b><i>Applying Payments</i></b>
Process Number	<b><i>AR – 004</i></b>

#### ***Description of Process***

The PeopleSoft cash application process has various capabilities including cash application to any open receivables, and the ability to enter cash receipts for miscellaneous revenue where a receivable has not been established. In order to enter a deposit, containing payments, the system requires that this be done in two parts: deposit details and worksheets (worksheets may not be necessary in express deposits). Deposits can be entered into PeopleSoft manually or through the lockbox setup with the bank. Following are the methods of deposit to enter cash into PeopleSoft Receivables.

- Regular Deposit: Standard method of online entry by entering deposit information first and then payment detail second.
- Express Deposit: A simplified method that combines payment entry, payment identification, and application options; this option is used for simple application of cash when cash matches fully to an open receivable. The advantage of using this method is to combine both steps of deposit and application. This method can not be used to enter directly journalled cash.

You will enter cash as a deposit into PeopleSoft on the deposit panels as follows:

- Deposit Control: Bank information and control totals for a deposit group.
- Payment Control: Payment and customer information for each payment in a deposit group. This is the panel where you need to specify if this deposit applies to an open receivable or represents miscellaneous cash revenue (Direct Journal). For the express deposit, this is where you enter an "item id" as an identifier for the system to look for the particular open receivable.

Payment worksheets are the second step in cash application, and must be created for a payment that does not have an immediate match against an open item. Worksheets are created as the user moves from the deposit action panel to the worksheet selection panel.

#### ***Input to Process***

- Regular Deposit entry is one method of recording cash receipts. Using the online menus, you can enter new groups of deposits, update existing deposit group, make corrections to the group and/or change the posting action for a group. Regular deposit entry is also the starting point for direct journal entry.
- The Express Deposit method is used for recording cash receipts when the open receivable 'item id' is known at the time of entry.

#### ***Output of Process***

All new deposits (regular / express) which are marked 'Post Now/Later' are ready to go through the receivable update and budget checking process in the nightly batch cycle.

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***Service Level Agreement Required? (if yes, provide a brief description)***

N/A

***PeopleSoft Panel Groups being Used***

Function	Panel Group
Apply Payments / Use	Regular Deposit Entry
Apply Payments / Use	Worksheet Selection Worksheet Application Worksheet Action
Apply Payments / Use	Express Deposit Entry
Apply Payments / Use	Worksheet Selection Worksheet Application Worksheet Action
Apply Payments / Use	Regular Deposit Entry Direct Journal Entry Accounting Entries

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### ***Business Process Description***

Process Description	Responsibility (Agency/Centralized)
<p><b><u>Step 1 Online Deposit Dialog Box:</u></b></p> <p>On the first dialog box enter the business unit or allow default from operator preferences. The deposit number value will contain “next” which assigns the next sequential deposit number if you press the OK button. The above steps are true for both regular or express deposit entries.</p>	Agency
<p><b><u>Step 2 Complete information on Deposit Control Panel:</u></b></p> <p>The accounting date will default to the current date, but can be modified as needed. This accounting date has to be synchronized with the GL module so that it remains in the open period. Bank code, Bank account number, Deposit type, Control currency and control totals must be filled in. These required fields need to be completed on both regular and express deposit panels.</p>	Agency
<p><b><u>Step 3 Payment Control panel:</u></b></p> <p>The accounting date will default to the current date, but can be modified as needed. Payment id and the amount for each payment are required. If this payment relates to an open item, then the customer id needs to be filled in. For direct journals, the “Journal Directly” check box must be selected and it will gray out the customer information fields. For express deposits, the item id must be known in advance in order for you to match against a specific open item. Pressing ‘save’ allows the user to move to the worksheet panels.</p>	Agency
<p><b><u>Step 4 Worksheet Selection Panel:</u></b></p> <p>Select Worksheet Selection from the Apply Payments/ Use menu. It will then take you to a panel where you need to specify a customer id and then press the worksheet button ‘build’. This panel will also show you the payment status, payment amount, deposit status, worksheet date and any reference number you may have for this payment. Once you hit the ‘build’ button, it will take you to the worksheet application panel where you need to apply the payment against an open item.</p>	Agency

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<p><b><u>Step 5 Worksheet Application Panel:</u></b></p> <p>This is PeopleSoft's method of presenting a list of open items that meet the identifying criteria provided by a user in order to manually match items with payments and make any necessary adjustments. On this panel, you will need to select an open item that you want your payment to be applied to.</p>	<p>Agency</p>
<p><b><u>Step 6 Worksheet Action Panel:</u></b></p> <p>If you wanted to delete the entry, select 'delete worksheet' or 'delete payment group' and the system deletes the whole worksheet or the payment group. Select 'post later' for this worksheet to be processed in the nightly batch process. To see which worksheet groups will be posted during the receivable update program, choose Inquire, Payments Set To Post.</p> <p>Select 'Do Not Post' in a situation where an end user has to stop applying payments in the middle of batch and needs to come back later to finish up. This option allows users to take time to review and carefully apply payments in the system. Payments will not post until 'Post Now/ Later' is selected.</p>	<p>Agency</p>
<p><b><u>Step 7 Direct Journal Entry Panel:</u></b></p> <p>You will need to come to this panel only when you have cash – revenue (non-AR) payments. You will have to mark "Journal Directly" in the payment control (previous) panel. You will be asked to enter a deposit unit and deposit id on the dialog box in order to retrieve the actual deposit panel where you will create the journal entry. You will need to specify the chartfield combination such as account, fund, org, program, budget year, project code with amount and click on 'create' button. Alternatively, you can use a 'SpeedType' to achieve the same. The system will create the offset accounting entry on selecting the 'lightning bolt' button. You will then need to put a check mark on 'complete' and save this direct journal entry. The Reference field is a required field. Select the customer id from the drop-down list or enter anything that will tie back to the original payment. All business units have a MISC PYMT customer if your direct journal transaction does not relate to a receivable item set up in the system. If the Per Diem range of accounts is selected (651000 – 652005) then the Vendor field will appear on the panel and a vendor must be selected. If a Travel Account Range (640000 – 642005) is selected, the Vendor field will appear and a Vendor that is an employee must also be selected. The Line description field is not required. This feature allows easier payment identification during the reconciliation process.</p>	<p>Agency</p>

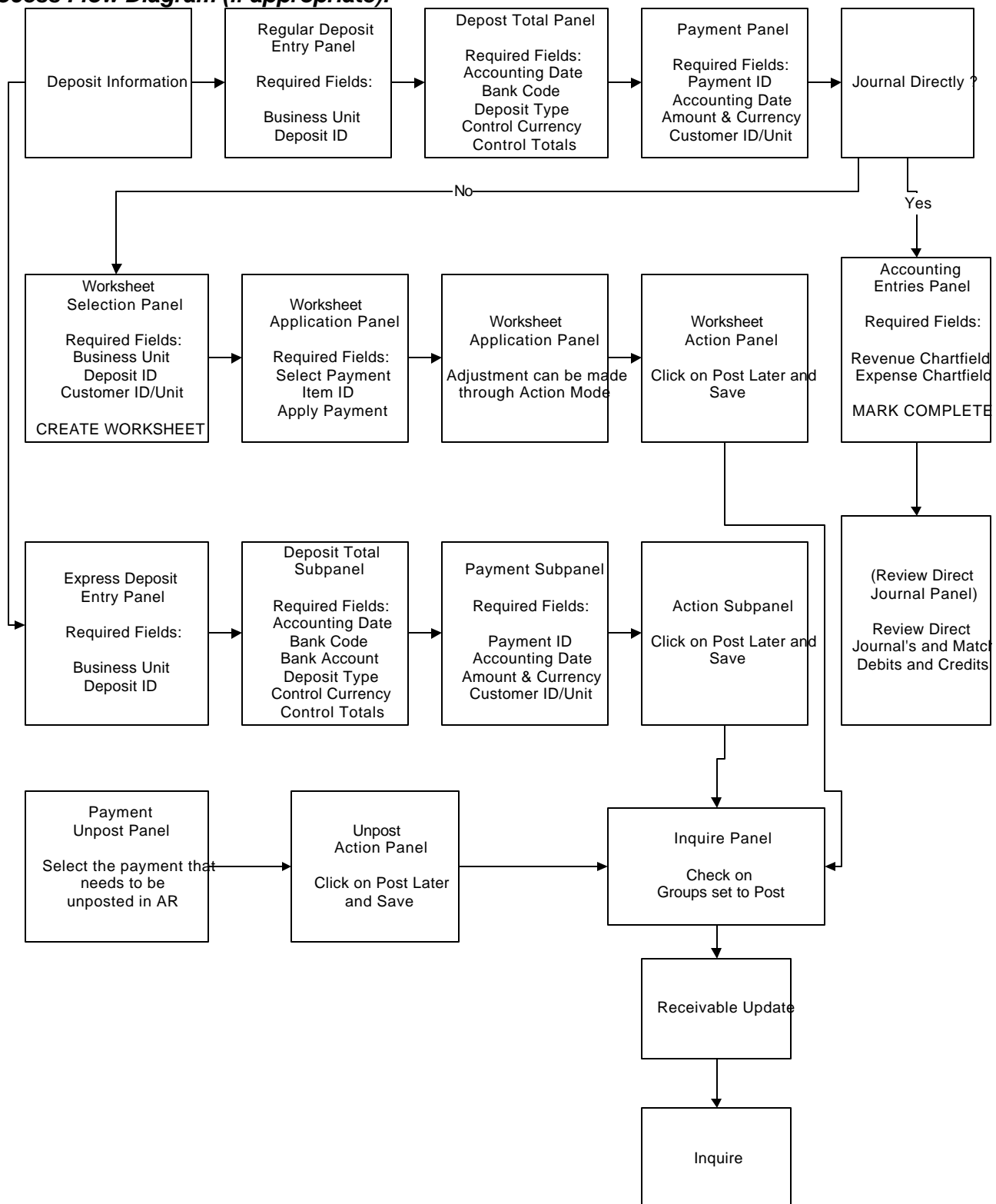
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***Forms Used with Process (#)***

**Report #**

## Process Definition – Accounts Receivable

**Process Flow Diagram (if appropriate):**



**Phoenix Program**  
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Process Signoff

Tested By  
Date Tested